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SUBJECT: MEDIA REACTION: U.S. TARIFFS ON CHINESE TIRE IMPORTS

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Editorial Quotes  
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I1. U.S. TARIFFS ON CHINESE TIRE IMPORTS

"Let trade retaliation become China's weapon"

The official Communist Party international news publication Global Times (Huanyu Shibao)(09/15)(pg 15): "The Chinese people support China's retaliatory measures against the U.S., and believe China has the ability to take revenge against the U.S. and should not be the victim of protectionism. In fact, letting China's trading partners see the potential damage to both sides caused by trade disputes will effectively restrain protectionism. Therefore, China should consider taking retaliatory measures, not with the goal of having a trade war but rather with the goal of containing other countries' inclinations towards protectionism. China should target economically influential countries like the U.S. for retaliation in order to send a warning to other trading partners who might consider adopting similar protectionist measures. So far, China has only taken retaliatory measures in the field of trade, but China could also choose to take certain measures in other fields, like finance. After all, during the financial crisis, other countries placed many demands on China. China, as an emerging economy that has been 'suppressed by a certain hegemonic country in international trade,' has reasons to use the weapon of trade retaliation to fight back. However, China still hopes to control disputes within certain parameters."

"Special protection case on tires triggers limited countermeasures; China and the U.S. have 'buffer zone' for consultations"

21st Century Publishing Company Ltd.'s business newspaper 21st Century Business Herald (21Shiji Jingji Baodao)(09/15)(pg 3): "Obama's decision [to implement special protective measures on Chinese tire imports] has not only triggered protectionism in the U.S., but also opened the door for other countries to use this tool in the future. Other industries in the United States are also seeking special protective measures against China. Obama is not a hard-line protectionist. The tire case is the first test of Obama's trade policy, and his final decision reflected a compromise between the positions of its opponents and its supporters. China was also restrained in its response to Obama's decision. China and the U.S. have both left room for further consultations on this issue. It remains to be seen how much damage the tire case will have on U.S.-China relations. Yu Shengxing, an attorney at Beijing Gaopeng law firm, said the tire case is 'only a small bump in U.S.-China relations.' It may have been the only choice available to Obama during the economic recession."

"China should vigorously combat U.S. protectionism"

The China Radio International sponsored newspaper World News Journal (Shijie Xinwenbao)(09/15)(pg 2): "It is very likely that the special protection case on tires will form part of the Obama administration's economic strategy towards China. Obama's decision

surprised a lot of people since Chinese tires do not actually threaten the U.S. tire industry. What's more, the U.S. decision is inconsistent with the current global political environment. The G20 summit is coming up, and yet Obama is sending protectionist signals.

Obama's decision on the special protection case on tires actually symbolizes the U.S.'s real strategy towards China. China's role as 'the world's factory' has strengthened China's influence and will speed up the internationalization of the yuan. Since Obama took office, China should take notice that his foreign policy has tilted towards countries neighboring China. Obama has visited Europe, Africa, Latin America, and the Middle East, but not East Asia. The Obama administration obviously needs to first exchange opinions with other countries on how to deal with East Asia, where the main target is China, the only country untouched by the financial crisis. This case is a sign that the Obama administration is trying to contain China, which is a massive manufacturing base outside of the U.S.'s control. China should teach the U.S. as hard a lesson as possible; otherwise, there will be endless trouble."

HUNTSMAN